

DEPARTMENTAL BUDGET INFORMATION AIRPORT DEPARTMENT (10)

STATEMENT OF PURPOSE

The Airport Department will help support the Mayor's vision to transform the government of the City of Detroit to the Next Detroit by applying the guiding principles of the Next Detroit, which means structural balancing by bringing costs in line with revenue, while improving services.

Maximize the Coleman A. Young International Airport's economic benefit to our community and region to build the Next Detroit.

DESCRIPTION

The Coleman A. Young International Airport covers 300 acres of land, which includes: two runways, the Air Carrier Terminal, Executive Terminal (including 14 large hangars), 129 small aircraft hangars and space for 175 based aircraft. It handles more than 80,000 aircraft operations and 1.5 million pounds of cargo annually.

The airport staff is responsible for the administration, operations, and maintenance of the airport. In addition, there are more than 100 personnel employed at Coleman A. Young International Airport. The primary employers are the Airport Department, Signature Flight Support, Hertz, Enterprise, Phoenix Aviation, and the Detroit Fire Department.

The airport hosts a number of interesting programs for youth and adults, including: The Explorers High School, Wild Blue Wonders (Middle School) and Experimental Aircraft Association.

MAJOR INITIATIVES FOR FY 2006-07

The Department published a Request for Qualifications to identify companies that are qualified to manage and develop the Coleman A. Young Airport. Our goal is to form a public/private partnership to provide the best opportunity for the City of Detroit's:

- Vision for the growth and redevelopment of the airport;
- Plan for capital investment in the airport to create a thriving enterprise;
- Opportunities for Detroit based businesses;
- Employment opportunities for displaced city employees;
- Expected income to the City's General Fund (including rents, taxes, etc.).

The selected strategic partner will assume the day to running of the Airport facility and make capital investments to leverage current City, State and Federal investment. In addition, the City will work with its chosen partner to ensure adequate public oversight and maintenance of federal, state and local requirements.

We developed the Airport portion of the Conner Creek Greenway to connect the Detroit River to Eight Mile Road with a greenbelt composed of bike and walking paths with scenic and historic stops along the way.

PLANNING FOR THE FUTURE FOR FY 2007-08, FY 2008-09 and BEYOND

The Airport Department's dynamic and ambitious vision for the future is to establish the Coleman A. Young Airport as an anchor for economic development, job creation, and

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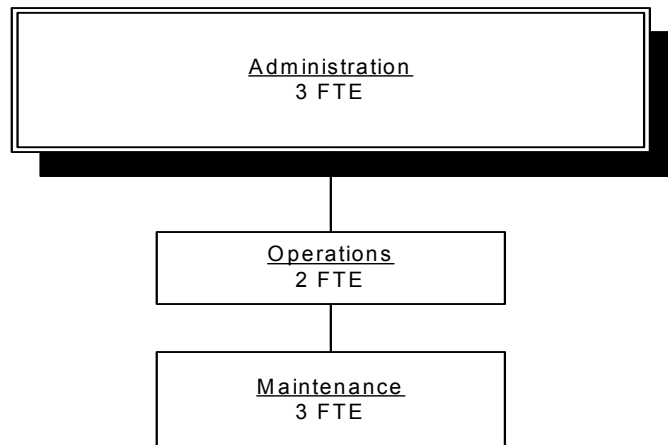
improvements for the surrounding community. The vision includes modernized facilities, improved customer service, revamped business practices, and continued development programs. Restoring and maintaining airline service is a key component to maximize the potential impact of the Coleman A. Young International Airport and to the airport's role in helping to build the Next Detroit.

To achieve that vision, the department's goals are to build a longer runway to secure

low cost airline service; to rehabilitate the executive terminal for use as a conference center, office space, and museum; and to acquire land along French Road to meet FAA design standards. Additional economic development options are under consideration.

The Airport Department must overcome a number of challenges in order to make its vision a reality.

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PERFORMANCE MEASURES AND TARGETS

Type of Performance Measure: List of Measures	2005-06 Actual	2006-07 Projection	2007-08 Target
Outputs: Units of Activity directed toward Goals			
Corporate/Charter Passengers	52,145	60,000	65,000
Airline Enplanements	3,457	10,000	10,000
Average monthly tons of air cargo	69.7	75	75
Outcomes: Results or Impacts of Program Activities			
Budgeted city subsidy	0	\$900,000	\$582,137

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EXPENDITURES

	2005-06		2007-08		
	Actual	2006-07	Mayor's	Variance	Variance
	Expense	Redbook	Budget Rec		Percent
Salary & Wages	\$ 602,413	\$ 394,893	\$ 421,224	\$ 26,331	7%
Employee Benefits	378,422	254,842	245,998	(8,844)	-3%
Prof/Contractual	228,817	59,201	63,701	4,500	8%
Operating Supplies	329,186	118,188	161,560	43,372	37%
Operating Services	536,215	443,758	915,502	471,744	106%
Capital Equipment	263,184	5,000,000	-	(5,000,000)	-100%
Capital Outlays	160,460	8,769	18,000	9,231	105%
Fixed Charges	41,680	-	40,754	40,754	0%
Other Expenses	247,250	262,459	1,262,508	1,000,049	381%
TOTAL	\$ 2,787,627	\$ 6,542,110	\$ 3,129,247	\$ (3,412,863)	-52%
POSITIONS	14	8	8	-	0%

REVENUES

	2005-06		2007-08		
	Actual	2006-07	Mayor's	Variance	Variance
	Revenue	Redbook	Budget Rec		Percent
Rev from Use of Assets	\$ 900,009	\$ 999,110	\$ 1,004,110	5,000	1%
Sales & Charges	89,713	120,000	120,000	-	0%
Contrib/Transfers	-	-	582,137	582,137	0%
Miscellaneous	(23,217)	5,423,000	1,423,000	(4,000,000)	-74%
TOTAL	\$ 966,505	\$ 6,542,110	\$ 3,129,247	\$ (3,412,863)	-52%